Profile of a Black Executive

The typical black executive in American business today is a 43-year old man born in the South or Southwest who is a college graduate with an advanced degree or some study toward one. He is employed by a billion dollar industrial corporation in the East or Midwest and holds the title of vice president or manager. The executive joined his present employer less than ten years ago, after working for two other firms. He achieved his present title within six years.

The black executive earns $40,000 or more annually. He works 55 hours per week and devotes another five and a half hours to community service. He has endeavored to follow a career plan over the years. He feels a high degree of satisfaction with his career progress but is willing to move to another organization providing him with greater opportunity.

The participants in this study bear a close similarity to other business leaders surveyed by the firm. Though generally coming from less privileged backgrounds, they have exerted similar patterns of upward mobility and resemble other executives in terms of level of education, hours worked and degree of career satisfaction.

Heidrick and Struggles, Inc.
Executive Consulting —
Chicago, Illinois

Heidrick and Struggles has published studies of executive demand since 1954 and profiles of executives and executive positions since 1962. This original research is conducted to help senior management keep abreast of trends in the executive marketplace. While much has been published by various organizations concerning the progress of blacks, this is the first broadly based study of black mangers and professionals who have achieved success in American business.

In July, 1979, questionnaires were mailed to 638 men and women identified as black executives through newspapers, magazines, and directories. To encourage response, the anonymity of individual replies was assured. Three hundred and seventy-five, or 59 percent, or the questionnaires were returned in time to be included in this study. Approximately 90 percent of the respondents are men.

Throughout this study, the findings are compared with the results of two other studies done earlier in the year by Heidrick and Struggles. One of these is an annual survey of senior-echelon corporate officers, overwhelmingly male, whose new responsibilities are announced in *The Wall Street Journal*. The second is an annual survey of women officers of America's largest industrial and non-industrial companies.

For over a quarter of a century, Heidrick and Struggles has devoted its full resources to helping client organizations in all major industries locate, evaluate, and attract the highest caliber executive talent. Men and women sought in behalf of client companies range from candidates for the board of directors and chief executive officer's post to middle management.

As one of the oldest and largest firms devoted exclusively to executive search, Heidrick and Struggles provides access to leading executive markets around the world through eight domestic and eight international offices. The firm's seasoned consultants are supported by the search industry's most comprehensive research and planning operations, the product of more than 25 years of meeting clients' needs for superior performers.

by Eugene E. Jennings, Ph.D.

To put our survey findings in perspective, Heidrick and Struggles commissioned Dr. Eugene Jennings to prepare this introduction to our study. In reviewing survey findings in light of his own experience and research, Dr. Jennings has forecast future trends for black executives in American business.

Dr. Jennings directs research studies in executive behavior. He is a lecturer and writer and confidential advisor to many chairmen and presidents of leading corporations. As professor of management in the graduate school of business administration at Michigan State University, he is an authority on managerial stress and executive mobility.

The prospects for black executives to make their way to the top is extremely favorable. As a group they are similar to the youthful MBAs of the early 60s, who blazed a trail to the top and set a pattern for others to follow to succeed in American corporations. These black executives are following that success pattern and are similar to their white counterparts of the 60s in many ways:

1. They have migrated to the fastest routes to the top—sales, marketing, manufacturing and finance. They have also avoided being stereotyped by functional areas, being well distributed across the primary business responsibilities.

2. They are not afraid of hard work, spending 50 to 60 hours or more per week on their jobs. They know that hard work pays, since the top earners are working over 60 hours per week on the average.

3. They have paid their educational dues. They are nearly as highly degreed as any other group we have studied.

4. They have a strong sense of self reliance. Born in the South and Southwest, they find themselves predominantly in the East and Midwest, where the largest corporations are concentrated. This self reliance is a prerequisite for career mobility. An executive not willing to break away from past ties cannot go far in corporate America.

5. They are well committed. They are willing to move geographically and organizationally to advance their careers, and this is indeed a very critical factor in sustaining upward career mobility.

6. Their appetites for progress are not easily sated. They are pleased and satisfied with their progress, but they want more and expect more. They cannot be easily turned back.

7. They have powers of leverage. With the vast majority in large corporations, they can leverage themselves into higher positions with medium or smaller size companies, thus accelerating their rise to the top.

No doubt black executives will make a long term impact upon corporate America.

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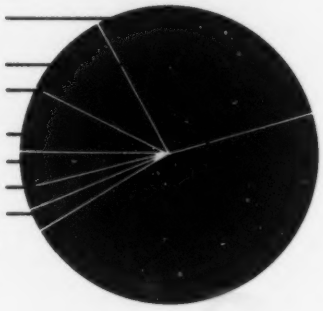
Three fourths of the black executives are employed by manufacturing firms or real estate, insurance, and financial organizations. Those employed by manufacturers are older than those in other industries, and manufacturing firms appear to be attracting fewer of the young black executives. Forty-nine percent of all executives 45 years of age and older are employed by manufacturers, but just 41 percent of those under 35 are with such companies.

In contrast, financial, real estate, and insurance organizations employ 29 percent of the black executives but 38 percent of black executives under 35.

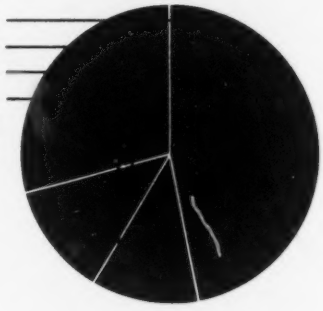
Type of Employer	
Manufacturing	46.0%
Financial, real estate, insurance	28.6
Wholesale & retail trade	9.4
Transportation, communications	7.0
Services	4.0
Utilities	2.4
Other	2.6
	100.0%



More than three quarters of the black executives are located in two regions. Forty-seven percent are in the East, while another 30 percent are in the Midwest. The remainder is nearly equally divided between the West and South/Southwest. This can be partially attributed to the concentration of large organizations in the East and Midwest. Nearly 60 percent of the black executives are associated with billion dollar businesses.

Executives employed in the East and Midwest are more highly educated. Of those working in the East, 85 percent are college graduates, and 91 percent of the Midwest-based have college degrees.

Base Location	
East	46.9%
Midwest	29.9
South/Southwest	11.7
West	11.5
	100.0%



Black executives represent a wide range of functions. Eighty-three percent are associated with six functional areas, with none outstanding in terms of proportion. The highest representation is 21 percent in sales and marketing, followed closely by personnel and finance. The 14 percent who are shown in the chart as general management hold titles of chairman, chief executive officer or president.

Just under one in ten of the executives is involved in manufacturing/operations, and a similar number are engaged in public and community relations. All other functional areas account for 17 percent of the total.

Functional Area	
Sales/marketing	20.6%
Personnel	16.6
Finance/accounting/audit	14.2
General management	13.9
Manufacturing/operations	9.1
Public/community relations	8.6
Engineering/research	5.3
Legal	3.2
Advertising	1.3
Data processing	1.3
Other	5.9
	100.0%

The two most common titles are vice president and manager, each of which accounts for just over 31 percent of the total group. Eighty-two percent of those with the titles of vice president (including executive, senior, group and assistant or second vice president) are on the corporate level. Of those with the title of manager, 55 percent are on the corporate level.

Four out of ten of those executives carrying the titles of chairman, chief executive officer, or president started their own businesses. Only one person with such a title is with a firm larger than $100 million in sales, and he is on the subsidiary, unit or division level.

If those with the titles of chairman, chief executive officer and president are removed from the tabulation, those with a vice presidential title would account for over 44 percent of all executives at the corporate level.

Vice presidents have an average of 66 persons reporting to them either directly or indirectly. The corporate vice presidents average 77 reports.

Title	Percent of all titles	Percent of titles at corporate level	Percent of titles at subsidiary, division or unit level
Chairman/CEO/President	14.6%	98.0%	2.0%
All Vice Presidents*	31.9	82.1	17.9
Director or Assistant Director	11.9	72.1	27.9
Manager	31.3	54.5	45.5
Other	10.3	63.2	36.8
	100.0%		

*Includes titles of executive, senior, group, assistant and second vice president plus vice president

Cash compensation of black executives varies widely. About a third earn less than $35,000, a third earn between $35,000 and $49,999, and an equal number receive $50,000 or more.

Education relates to compensation level among black executives as it does with both upper echelon officers and women officers. Of the blacks earning $75,000 or more, 87 percent are college graduates and 49 percent hold an advanced degree.

Among those executives receiving less than $30,000, 76 percent have degrees and 27 percent have earned more than one.

Black executives receive a variety of perquisites, although none is enjoyed by a majority of the respondents. Forty-three percent receive additional insurance coverage; 38 percent, a stock purchase plan; 33 percent, stock options; and 32 percent, an automobile. About one in seven receives performance shares, deferred compensation, and town club membership. About 12 percent receive financial counseling, while fewer than 10 percent have such perks as management contracts, country club memberships, and tax shelter opportunities. Not unexpectedly, executives of 45 and over who generally hold higher titles are more likely to receive perks than are younger survey participants.

Cash Compensation	Percent of Total	Percent by age: Under 35	35-44	45 and older
$20-29,999	18.3%	36.6%	15.9%	10.2%
$30-34,999	14.8	28.1	13.8	9.0
$35-39,999	14.0	12.2	17.4	9.7
$40-44,999	12.6	12.2	6.5	19.3
$45-49,999	7.0	6.1	7.2	7.6
$50-74,999	19.6	4.8	22.6	26.9
$75-99,999	8.1		10.1	9.7
$100,000 and more	5.6		6.5	7.6
	100.0%	100.0%	100.0%	100.0%

Perquisites	Percent of executives receiving perk
Additional insurance	42.9%
Stock purchase plan	38.1
Stock options	33.3
Automobile	31.7
Deferred compensation	15.2
Town club membership	14.9
Performance shares	14.7
Financial counseling	11.5
Tax shelter opportunities	7.5
Management contract	6.9
Country club membership	6.1
None or failed to answer	14.9

Income and Education	Annual cash compensation: $20,000-$29,999	$30,000-$39,999	$40,000-$49,999	$50,000-$74,999	$75,000 and more
No Degree	24.2%	18.3%	11.6%	6.9%	12.8%
Undergraduate Degree	48.5	46.1	44.9	50.0	38.3
Advanced Degree	27.3	35.6	43.5	43.1	48.9
	100.0%	100.0%	100.0%	100.0%	100.0%

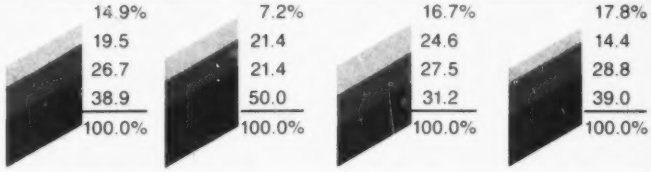
In common with managers and professionals overall, the black executive is well educated. Eighty-five percent are college graduates, 39 percent hold an advanced degree, and another 27 percent have done post-graduate study. This closely parallels senior-level predominantly male officers, of whom 93 percent are college graduates and 47 percent have advanced degrees. However, the educational level of black executives exceeds that of women officers. Only 56 percent of the females hold college degrees, and just 26 percent have advanced degrees.

As is true with upper echelon officer and women officer groups, younger black executives are more highly educated. Of those in this survey under 35 years of age, 93 percent are college graduates and half hold an advanced degree.

Those college graduates who were top scholars are now top earners. The proportion of those scoring at least a 3.0 on a 4.0 scale rises directly with income, and 65 percent of those now earning $75,000 or more were 3.0-or-better students.

Highest Educational Attainment

	Executive's age			
	Total	Under 35	35-44	45 and older
High school graduate	14.9%	7.2%	16.7%	17.8%
College graduate	19.5	21.4	24.6	14.4
Some graduate study	26.7	21.4	27.5	28.8
Advanced degree	38.9	50.0	31.2	39.0
	100.0%	100.0%	100.0%	100.0%



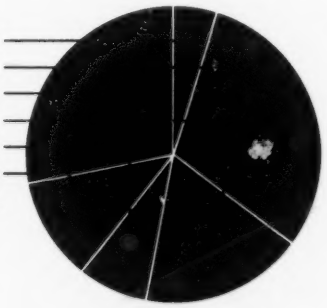
Black executives, senior-echelon officers, and women officers demonstrate the same level of career mobility. All three groups have worked for an average of three employers. One in seven of the black executives has worked for only one company, and half have had two or three employers during their careers.

Thirty-six percent have been with their present firms for five years or less. Personal contact was the means of attracting nearly half of the black executives to their current employers. Executive recruiting consultants were responsible for 19 percent of the matches, with nearly 35 percent of those under the age of 35 being recruited in this manner. College recruitment and minority recruitment programs accounted for relatively few of the black executives' current affiliations.

Nearly one fourth of the individuals started with their present titles; those who did not waited an average of six years before achieving their current posts. The number of years required to advance correlates with the size of the company, with more time being required in larger concerns.

Tenure

Years with present employer	Total
Under 1 year	4.8%
1-5 years	30.9
6-10 years	28.0
11-15 years	17.9
16-20 years	7.2
Over 20 years	11.2
	100.0%



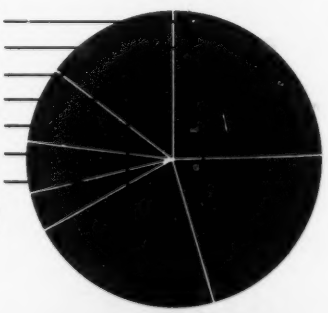
Number of Employers	Total
One	14.2%
Two	23.7
Three	27.8
Four	17.7
Five	8.2
Six or more	8.4
	100.0%
Average	3.07

Means of Joining Present Employer

	Total
Personal Contact	47.7%
Executive Recruiting Consultant	18.7
School Recruitment	7.2
Minority Recruiting Program	6.7
Started Own Company	5.6
Advertisement	4.8
All Other	9.3
	100.0%

Tenure

Years employed before assuming title	Total
Started with title	24.3%
1-3 years	21.1
4-6 years	14.6
7-10 years	21.4
11-15 years	8.2
16-20 years	5.9
Over 20 years	4.5
	100.0%
Average	6.15 years



Satisfied though they may be with their career progress, a majority of these executives are willing to change organizations and to relocate. Fifty-four percent say they would move to another organization if the opportunity for a higher level of responsibility does not arise in their present organization. Sixty-two percent say they are willing or eager to move geographically.

As would be expected, these feelings are expressed most frequently by the younger executives and those less satisfied with their career progress. Of those under 35 years of age, 75 percent are willing to move to another organization, and 68 percent are willing to relocate. Nearly the same is true of those reporting an average or lower degree of satisfaction with their career progress. Of those with such feelings, 69 percent are willing to change employers, and 70 percent are willing or eager to move geographically.

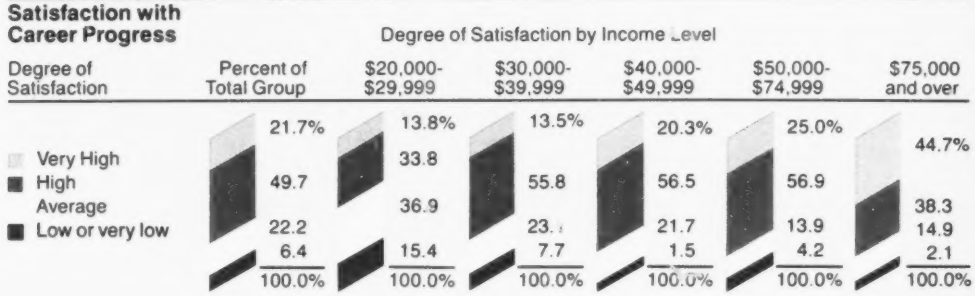
Senior-level corporate officers who were surveyed were not asked about their willingness to change employers since they all were recently promoted or had just joined a new employer. They were, however, asked to describe their geographic mobility. Sixty-one percent said they were willing or eager to move. Such a description was given by three fourths of those with a lower than average degree of satisfaction with their career progress.

		Age			Career Progress Satisfaction	
Thinking regarding future	Percent of total	Under 35	35-44	45 and older	Very high/high	Average / low
Stay in present position	12.1%	1.2%	5.8%	25.4%	14.6%	5.8%
Advance in present organization	30.1	24.1	27.0	36.2	33.5	22.1
Move to another organization	53.7	71.1	63.5	34.1	47.3	69.2
Advance in present or move to different organization	4.1	3.6	3.6	4.3	4.6	2.9
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Geographic mobility						
Eager to move	4.0%	3.6%	3.6%	4.9%	3.4%	5.7%
Willing to move	58.3	64.3	65.0	47.8	55.8	64.2
Reluctant to move	34.7	32.1	29.9	41.0	37.0	29.2
Impossible to move	3.0	—	1.5	6.3	3.8	0.9
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Black executives express an above average degree of satisfaction with their career progress. More than 71 percent rate their satisfaction as either high or very high, and only 6 percent describe it as below average.

Just one individual expresses very low satisfaction with his progress. The level of career satisfaction evidenced by blacks is comparable to that of women officers and is not significantly lower than that of senior corporate officers. However, possibly because of rising expectations, the average level of satisfaction among black executives declines with age.

Satisfaction with Career Progress

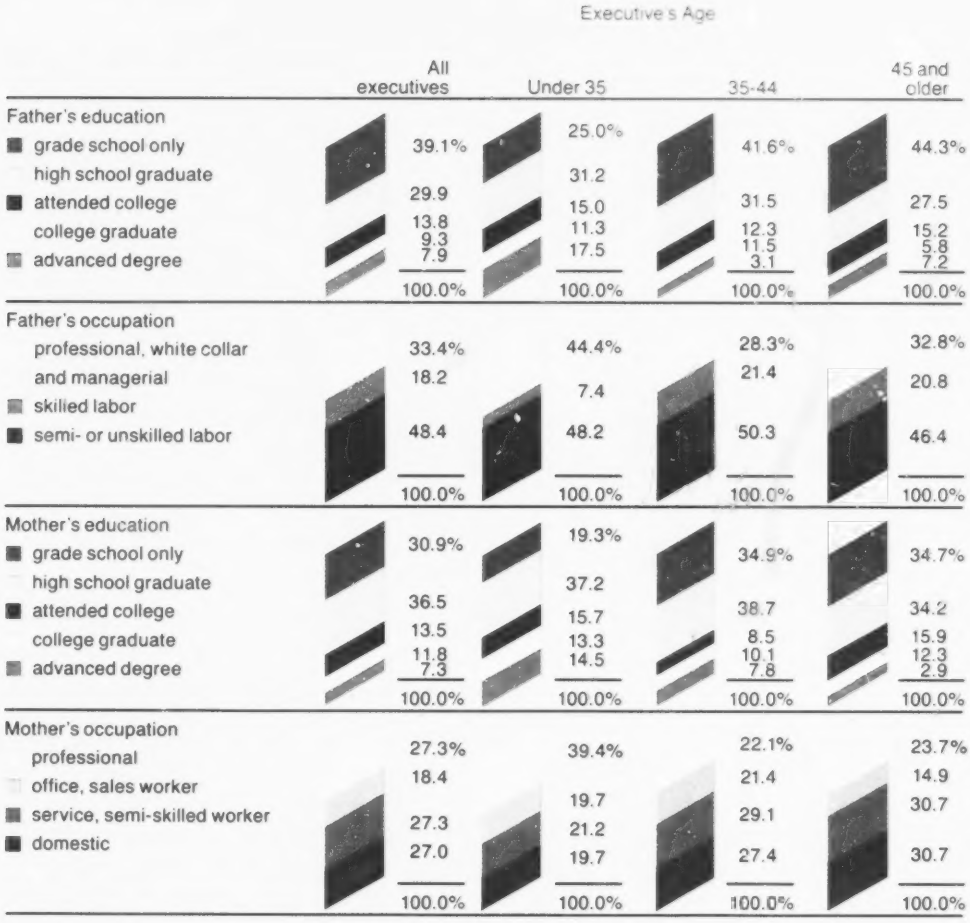


The upward socioeconomic mobility of blacks is evident among surveyed executives as a group. More than half earn at least $40,000 annually, but 88 percent describe their economic background as low income or lower middle class. The remaining 12 percent describe their origins as upper middle class; only one person in the entire study describes his parents as wealthy.

This improving economic status is also evident between the older and younger executives in the study. Ninety percent of those 45 or older describe their background as either lower middle class or low income versus 82 percent of those under 35. One third of all executives report their fathers were in managerial, professional, or white collar jobs, but 44 percent of those younger than 35 indicate this was the case. Thirty-nine percent of those under 35 say their mothers were employed as professionals, compared to only 24 percent of those 45 and older.

The executives' mothers worked after marriage in 77 percent of the families, and 56 percent worked before as well as after being married. The mothers of 27 percent were employed as teachers, nurses, or other professionals, and an equal number were domestics.

Fathers of 39 percent of the black executives lacked high school diplomas, while the fathers of 17 percent were college graduates. Thirty-one percent of the mothers did not complete high school, while 19 percent hold college degrees. Higher titled black executives have more highly educated parents. Twenty one percent of the corporate level vice presidents have college graduate fathers; 32 percent have mothers who earned degrees. In contrast, just 17 percent of those executives with a corporate manager's title have degreed fathers, and only 16 percent have college graduate mothers.



Black executives, like senior-echelon officers surveyed, generally work long hours and devote a significant amount of time to civic and charitable organizations.

Black executives average nearly 55 hours of work weekly, and 77 percent of them devote at least 50 hours to the job. This approximates the 57-hour average of senior-echelon officers and exceeds the time devoted by women officers. Nearly six out of ten of the females spend no more than 50 hours at work. In keeping with both senior-echelon and women officers, blacks who work longer hours make more money. The average exceeds 60 hours for blacks earning $75,000 or more.

Time Devoted to Business

		Percent by Income Level				
Hours/Week	Total	$20,000-$29,999	$30,000-$39,999	$40,000-$49,999	$50,000-$74,999	$75,000 and more
Under 45 hours	11.4%	23.1%	12.6%	11.6%	—	—
45-49	12.1	23.1	15.5	11.6	—	—
50-54	21.3	24.6	17.5	27.5	22.2%	13.3%
55-60	38.8	16.9	35.9	40.6	54.2	48.9
Over 60 hours	16.4	12.3	18.5	8.7	15.3	31.1
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Average hours	54.7	49.2	55.1	53.2	56.5	60.7

The old adage, "If there's a job to be done, give it to the person who's busy", certainly holds true for black executives. They average 5.5 hours a week in community or charitable affairs, with those devoting the most time also expending the longest hours on their paid employment.

Those 45 and older devote seven hours a week to volunteer service, twice the time commitment of those under 35.

This level of community service is higher than that evidenced in studies of other groups. Only 5.5 percent of women officers devote more than five hours weekly to community services, and 42 percent are involved in no such activity. Chief executive officers of the 500 largest industrial companies and 300 leading non-industrials surveyed by the firm average five hours weekly, with half having increased this total after becoming CEO.

Time Devoted to Community Service

		Hours/week spent on business			
Community Service Hours/Week	Total	Under 45	45-54	55-60	Over 60
Less than 1	15.0%	22.0%	18.8%	8.7%	16.7%
1-2	21.8	22.0	28.5	21.7	10.0
3-4	21.8	24.4	26.8	18.1	18.3
5-8	21.8	24.4	12.5	26.9	26.7
9-12	10.1	4.8	8.0	11.6	13.3
13 or more	9.5	2.4	5.4	13.0	15.0
	100.0%	100.0%	100.0%	100.0%	100.0%
Average hours	5.5	3.7	4.2	6.4	7.2

Survey participants average 43 years of age, with the women being slightly younger than the men. More than half of the black executives are between the ages of 35 and 50, and another 23 percent are 34 or younger.

This makes the black executive group as a whole younger than the woman officers or predominantly male senior-echelon executives studied previously. The upper level officers average 50 years of age, while 54 percent of the women are 45 or older.

Age of Executives

Age	Percent of total
Under 30	4.9%
30-34	17.9
35-39	19.0
40-44	18.5
45-49	15.2
50-54	12.8
55-59	6.5
60 and older	5.2
	100.0%
Average age	43

Comparing place of birth with present location illustrates the mobility of black executives. While nearly 41 percent of the survey participants were born in the South or Southwest, less than 12 percent are now employed in those regions. Only 29 percent were born in the East, but 47 percent are now based there.

Birthplace/Present Location

Region	Percent born in region	Percent working in region
East	28.6%	46.9%
Midwest	24.9	29.9
South/Southwest	40.9	11.7
West	2.5	11.5
Foreign	3.1	0
	100.0%	100.0%

Asked to name the single factor that has contributed most to their career success, nearly 44 percent of the black executives cite such factors as hard work, determination, aggressiveness, and perseverance. Other positive factors include functional ability and people skills, both specified by 13 percent of the executives. One in eight mentions education while one in ten enumerates experience. Only three persons cite race as a contributor to success. However, racial discrimination is specified by 45 percent of all participants as the single most impeding factor. The proportion of various factors cited as aiding or impeding progress is nearly the same for black executives at all income levels.

When asked similar questions, women officers most often named hard work and ability as factors contributing to their success. Discrimination against women was cited by 49 percent of the females as that factor most detrimental to progress.

Black executives approve by extraordinary majorities issues related to minority employment and training but are less likely to endorse racial quotas for school admission and school busing. A slight majority of the blacks believe racial prejudice in business is unchanged although more see it declining than feel it is rising. Only 7 percent of these executives say the progress of blacks in achieving executive positions in major American businesses during the past 15 years has been faster than they anticipated. However, one third believe progress will be faster in the upcoming decade and a half.

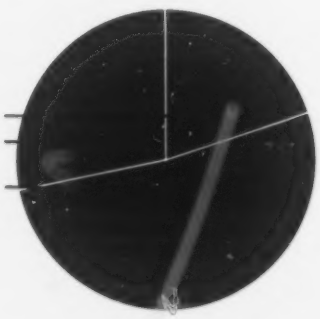
Nearly six out of ten feel black progress in achieving executive positions over the past 15 years had been slower than that of women. An even greater proportion feel that black progress will lag that of women in the coming years.

Stand on Social Issues	Approve	Disapprove	Not sure
Special programs to acquaint blacks with business	97.9%	0.8%	1.3%
Special training programs to foster equal opportunity for blacks in education	96.0	1.9	2.1
Corporate affirmative action goals	95.9	1.9	2.2
Special training programs to foster equal opportunity for blacks in employment	95.7	2.4	1.9
Quotas to achieve fair share employment for blacks	78.5	11.0	10.5
Racial quotas for school admission	60.1	17.9	22.0
School busing for racial integration	54.7	25.1	20.2

Minority Employment Issues

1. View of racial prejudice in business today:

On the rise	19.8%
Diminishing	28.7
About the same as it has been	51.5
	100.0%



2. Opinion of the progress of blacks in achieving executive positions in American business:

	Over past 15 years		Over next 15 years
Much faster than I anticipated	0.8%	Will be much faster	4.0%
Somewhat faster than I anticipated	6.2	Will be somewhat faster	29.0
About the same as I anticipated	33.4	Will be about the same	43.3
Somewhat slower than I anticipated	42.3	Will be somewhat slower	17.2
Much slower than I anticipated	17.3	Will be much slower	6.5
	100.0%		100.0%

3. Opinion of the progress of blacks in achieving executive positions compared with the progress of women:

	Over past 15 years	Over next 15 years
Much faster for blacks	3.5%	1.6%
Somewhat faster for blacks	23.2	7.5
About the same for blacks	14.6	25.9
Somewhat slower for blacks	38.4	45.3
Much slower for blacks	20.3	19.7
	100.0%	100.0%

Publications

The firm's original research on trends in management is shared with the business community at large. A complete list of Heidrick and Struggles publications appears below. Single copies are available upon written request to our nearest office.

The Changing Board (1979 Update, 1978 Update, 1977)
Profile of the Board of Directors (1971, 1966)
Profile of a Chief Executive Officer (1977)
Profile of a President (1972, 1967, 1962)
President Profile, Bank and Bank Holding Company (1974)
Profile of a Bank President (1969, 1963)
Profile of a Woman Officer (1979, 1978, 1977)
Profile of a Black Executive (1979)
Chief Personnel Executives Look at Blacks in Business (1979)
Profile of a Chief Financial Officer (1975, 1970, 1965)
Profile of a Chief Personnel Executive (1977)
Profile of a Chief Marketing Executive (1976, 1971, 1966)
Profile of a Chief International Officer (1975, 1970)
Profile of a Chief Research and Development Executive (1978, 1973, 1968)
Profile of the Bank Chief Executive in Great Britain (1973)
Profile of the British Board of Directors (1972)
Profile of the Chief Financial Officer in Great Britain and His American Counterpart (1976)
Profile of a Canadian President (1973)
Profile of the European Chief Executive and His American Counterpart (1969)
Profile of the European Personnel Director (1976)
Profile of the Chief Executive Officer in Mexico (1977)
Profile of a Mobile Executive (1977)

Executrend—Measuring the Executive Market (originated in 1954, issued semi-annually).
Director Data—A report on outside director selection practices (originated in 1976, issued annually)
The Search For Management—Services of an Executive Recruiting Firm

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